# Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)	
	)	
Woods Communications Corporation	)	Facility I.D. No. 77719
Licensee of Station KWBZ-TV	)	NAL/Acct. No. 0741420017
Wolfforth, Texas	Ś	FRN: 0001756659

## NOTICE OF APPARENT LIABILITY FOR FORFEITURE

Adopted: March 8, 2007 Released: March 9, 2007

By the Chief, Media Bureau:

#### I. INTRODUCTION

1. In this *Notice of Apparent Liability for Forfeiture ("NAL")* issued pursuant to Section 503(b) of the Communications Act of 1934, as amended (the "Act"), and Section 1.80 of the Commission's Rules (the "Rules"), 1 by the Chief, Media Bureau pursuant to authority delegated under Section 0.283 of the Rules, 2 we find that Woods Communications Corporation (the "Licensee"), licensee of Station KWBZ-TV, Wolfforth, Texas (the "Station"), apparently violated Sections 73.3526(e)(11)(ii) and 73.3526(e)(11)(iii) of the Rules, by failing to place in the Station's public inspection file all required records concerning its compliance with the children's programming commercial limits and by failing to publicize the existence and location of its Children's Television Programming Reports. Based upon our review of the facts and circumstances before us, we conclude that the Licensee is apparently liable for a monetary forfeiture in the amount of fourteen thousand dollars (\$14,000).

### II. BACKGROUND

2. Under the Commission's rules implementing the Children's Television Act of 1990 (CTA),<sup>4</sup> each television broadcast station licensee has an obligation, during its license term, to air programming that serves the educational and informational needs of children through both the licensee's overall programming and programming "specifically designed" to educate and inform children (core programming).<sup>5</sup> The Commission's rules require commercial licensees to provide information to the public about the shows they air to fulfill their obligation. Subsection 73.3526(e)(11)(iii) of the Rules requires each commercial television broadcast station to prepare and place in its public inspection file a Children's Television Programming Report (FCC Form 398) for each calendar quarter reflecting, *inter alia*, the efforts it has made during the quarter to serve the educational needs of children. As set forth in Subsection 73.3526(e)(11)(iii), licensees are also required to file the reports with the Commission and to publicize for the public the existence and location of the reports.

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<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 503(b); 47 C.F.R. § 1.80.

<sup>&</sup>lt;sup>2</sup> See 47 C.F.R. § 0.283.

<sup>&</sup>lt;sup>3</sup> See 47 C.F.R. § 73.3526(e)(11)(ii) and 73.3526(e)(11)(iii).

<sup>&</sup>lt;sup>4</sup> Pub. L. No. 101-437, 104 Stat. 996-1000, codified at 47 U.S.C. Sections 303a, 303b and 394.

<sup>&</sup>lt;sup>5</sup> 47 C.F.R. § 73.671.

- 3. Further, Section 73.3526 of the Rules requires a commercial broadcast licensee to maintain a public inspection file containing specific types of information related to station operations.<sup>6</sup> Pursuant to subsection 73.3526(e)(11)(ii), each commercial television broadcast station is required to place in its public inspection file, on a quarterly basis, records sufficient to allow substantiation of the licensee's certification, in its renewal application, of its compliance with the children's television commercial limits imposed by Section 73.670 of the Rules.<sup>7</sup> Where lapses occur in maintaining the public file, neither the negligent acts nor omissions of station employees or agents, nor the subsequent remedial actions undertaken by the licensee, excuse or nullify the licensee's rule violation.<sup>8</sup>
- 4. On March 30, 2006, the Licensee filed its license renewal application (FCC Form 303-S) for Station KWBZ-TV (the "Application") (File No. BRCT-20060330AHU). In response to Section IV, Question 10 of the Application, the Licensee stated that it had failed to publicize the existence and location of the Station's Children's Television Programming Reports, as set forth in Section 73.3526(e)(11)(iii) of the Rules. It appears that the Licensee failed to comply with Section 73.3526(e)(11)(iii) for eight years. In Exhibit 24, the Licensee indicated that although it was aware of the requirement to publicize the existence and location of the Children's Television Programming Reports, a new traffic system was installed and the Station "failed to transfer the order from the old traffic system to the new traffic system." The Licensee asserted that when it discovered that it had not publicized the existence and location of the Children's Television Programming Reports, it implemented procedures to ensure future compliance.
- 5. In addition, in response to Section IV, Question 3 of the Application, the Licensee stated that, during the previous license term, it had failed to timely place in its public inspection file all of the documentation required by Section 73.3526 of the Commission's Rules. In Exhibit 17, the Licensee indicated that its records concerning compliance with the children's programming commercial limits for 2002 and the first three quarters of 2003 were not placed in the public inspection file. The Licensee claimed that although these records were prepared, they were subsequently misplaced.

### III. DISCUSSION

Programming Reports and its failure to publicize the existence and location of the Children's Television Programming Reports and its failure to place in its KWBZ-TV public inspection file all required records concerning compliance with the children's programming commercial limits constitutes apparent willful and repeated violations of Sections 73.3526(e)(11)(iii) and 73.3526(e)(11)(ii), respectively. This *NAL* is issued pursuant to Section 503(b)(1)(B) of the Act. Under that provision, any person who is determined by the Commission to have willfully or repeatedly failed to comply with any provision of the Act or any rule, regulation, or order issued by the Commission shall be liable to the United States for a forfeiture penalty. Section 312(f)(1) of the Act defines willful as "the conscious and deliberate commission or omission of [any] act, irrespective of any intent to violate" the law. The legislative history to Section 312(f)(1) of the Act clarifies that this definition of willful applies to both Sections 312 and 503(b) of the

<sup>&</sup>lt;sup>6</sup> See 47 C.F.R. § 73.3526.

<sup>&</sup>lt;sup>7</sup> 47 C.F.R. § 73.670. This rule limits the amount of commercial matter that a commercial television station may air during children's programming to 10.5 minutes per hour on weekends and 12 minutes on weekdays.

<sup>&</sup>lt;sup>8</sup> See Padre Serra Communications, Inc., 14 FCC Rcd 9709 (1999) (citing Gaffney Broadcasting, Inc., 23 FCC 2d 912, 913 (1970) and Eleven Ten Broadcasting Corp., 33 FCC 706 (1962)); Surrey Range Limited Partnership, 71 RR 2d 882 (FOB 1992).

<sup>&</sup>lt;sup>9</sup> 47 U.S.C. § 503(b)(1)(B); see also 47 C.F.R. § 1.80(a)(1).

<sup>&</sup>lt;sup>10</sup> 47 U.S.C. § 312(f)(1).

Act, <sup>11</sup> and the Commission has so interpreted the term in the Section 503(b) context. <sup>12</sup> Section 312(f)(2) of the Act provides that "[t]he term 'repeated,' when used with reference to the commission or omission of any act, means the commission or omission of such act more than once or, if such commission or omission is continuous, for more than one day."

- 7. The Commission's *Forfeiture Policy Statement* and Section 1.80(b)(4) of the Rules establish a base forfeiture amount of \$10,000 for violation of Section 73.3526(e)(11)(ii) and a base forfeiture amount of \$10,000 for violation of Section 73.3526(e)(11)(iii). In determining the appropriate forfeiture amount, we may adjust the base amount upward or downward by considering the factors enumerated in Section 503(b)(2)(D) of the Act, including "the nature, circumstances, extent and gravity of the violation, and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require."
- 8. In this case, the Licensee reported that it failed to publicize the existence and location of its Children's Television Programming Reports. Apparently, this violation continued throughout the license term. Moreover, the Licensee acknowledged that it did not place records concerning compliance with the children's programming commercial limits for seven quarters in the public inspection file. Accordingly, we find that the Licensee is apparently liable for a forfeiture in the amount of \$10,000 for its apparent willful and repeated violation of Section 73.3526(e)(11)(iii), and the amount of \$4,000 for its apparent willful and repeated violation of Section 73.3526(e)(11)(iii), for a total proposed forfeiture in the amount of \$14,000.

#### IV. ORDERING CLAUSES

- 9. Accordingly, IT IS ORDERED, pursuant to Section 503(b) of the Communications Act of 1934, as amended, and Section 1.80 of the Commission's Rules, that Woods Communications Corporation is hereby NOTIFIED of its APPARENT LIABILITY FOR FORFEITURE in the amount of fourteen thousand dollars (\$14,000) for its apparent willful and repeated violations of Sections 73.3526(e)(11)(ii) and 73.3526(e)(11)(iii) of the Commission's Rules.
- 10. IT IS FURTHER ORDERED, pursuant to Section 1.80 of the Commission's Rules, that, within thirty (30) days of the release date of this *NAL*, Woods Communications Corporation SHALL PAY the full amount of the proposed forfeiture or SHALL FILE a written statement seeking reduction or cancellation of the proposed forfeiture.
- 11. Payment of the proposed forfeiture must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include the NAL/Acct. No. and FRN No. referenced above. Payment by check or money order may be mailed to Federal Communications Commission, at P.O. Box 358340, Pittsburgh, Pennsylvania 15251-8340. Payment by overnight mail may be sent to Mellon Bank/LB 358340, 500 Ross Street, Room 1540670, Pittsburgh, Pennsylvania 15251. Payment by wire transfer may be made to ABA Number 043000261, receiving bank Mellon Bank, and account number 911-6106.

<sup>14</sup> See Forfeiture Policy Statement and Amendment of Section 1.80(b) of the Rules to Incorporate the Forfeiture Guidelines, Report and Order, 12 FCC Rcd 17087, 17113-15 (1997) ("Forfeiture Policy Statement"), recon. denied, 15 FCC Rcd 303 (1999); 47 C.F.R. § 1.80(b)(4), note to paragraph (b)(4), Section I.

<sup>&</sup>lt;sup>11</sup> See H.R. Rep. No. 97-765, 97<sup>th</sup> Cong. 2d Sess. 51 (1982).

<sup>&</sup>lt;sup>12</sup> See Southern California Broadcasting Co., Memorandum Opinion and Order, 6 FCC Rcd 4387, 4388 (1991).

<sup>&</sup>lt;sup>13</sup> 47 U.S.C. § 312(f)(2).

<sup>&</sup>lt;sup>15</sup> 47 U.S.C. § 503(b)(2)(D); see also Forfeiture Policy Statement, 12 FCC Rcd at 17100-01; 47 C.F.R. § 1.80(b)(4); 47 C.F.R. § 1.80(b)(4), note to paragraph (b)(4), Section II.

- 12. The response, if any, must be mailed to Office of the Secretary, Federal Communications Commission, 445 12<sup>th</sup> Street, S.W., Washington, D.C. 20554, ATTN: Barbara A. Kreisman, Chief, Video Division, Media Bureau, and MUST INCLUDE the NAL/Acct. No. referenced above.
- 13. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the respondent submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices ("GAAP"); or (3) some other reliable and objective documentation that accurately reflects the respondent's current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation submitted.
- 14. Requests for full payment of the forfeiture proposed in this *NAL* under the installment plan should be sent to: Associate Managing Director- Financial Operations, 445 12th Street, S.W., Room 1-A625, Washington, D.C. 20554. 16
- 15. IT IS FURTHER ORDERED that copies of this *NAL* shall be sent, by First Class and Certified Mail, Return Receipt Requested, to Woods Communications Corporation, #1 WCOV Avenue, Montgomery, Alabama 36111, and to its counsel, Aaron P. Shainis, Esq., Shainis & Peltzman, Chartered, 1850 M Street, N.W., Suite 240, Washington, D.C. 20036.

FEDERAL COMMUNICATIONS COMMISSION

Monica Desai Chief, Media Bureau

<sup>&</sup>lt;sup>16</sup> See 47 C.F.R. § 1.1914.